

EXHIBIT 1

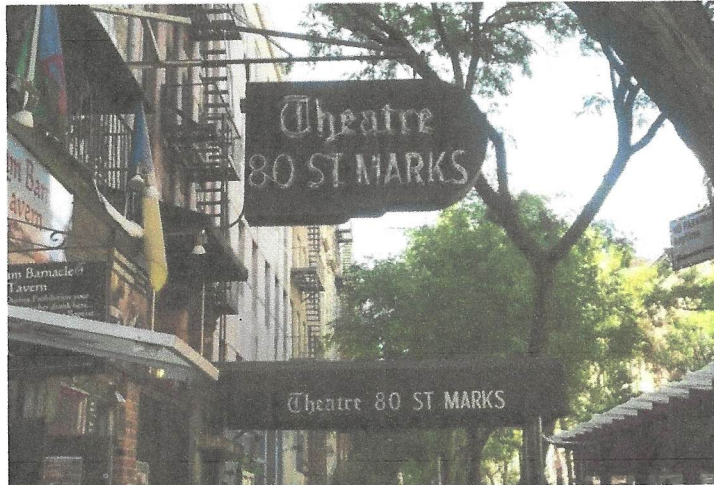


Owners fight to save historic Theatre 80 on St. Marks Place

Page 1 of 3

BY KATERINA BARTON

PUBLISHED SEPTEMBER 1, 2022 | 46 COMMENTS



→ Theatre 80 in Manhattan. The theater, which opened in the early 1960s, is embroiled in a two-year battle to stay open, amid pandemic-related financial troubles.
REECE T. WILLIAMS/GOTHAMIST

The buildings at 78 and 80 St. Marks Place in the East Village are deeply rooted in New York's bygone Prohibition Era, a time of organized crime, swanky jazz clubs, and rumrunners smuggling booze into speakeasies through underground tunnels. The buildings now house Theatre 80, an off-Broadway theater established in the early 1960s, as well as the adjacent William Barnacle Tavern and, upstairs, the Museum of the American Gangster — and all three are presently embroiled in a two-year battle to stay open. The theater could soon be the latest pandemic casualty along with countless other New York City theaters and bars.

Lorcan and Genie Otway, who own Theatre 80 as well as the tavern and museum, have been struggling to recover from COVID-19 closures, and in November 2020 were unable to make payments on a loan against the properties, which ballooned from \$6 million before the pandemic to nearly \$12 million, including legal penalties.

They're far from alone in struggling to recover from the pandemic. According to a report from the state comptroller's office, employment in the arts, entertainment, and recreation sector was at its peak in the summer of 2019. But pandemic-related shutdowns in 2020 caused a 55% drop in employment, and the sector has yet to recover.

Now, with a court decision threatening their imminent eviction, the Otways are desperately trying to save an establishment awash in cultural heritage. The theater's entrance and the tavern are filled with historical memorabilia: paintings, autographed photos of famous actors and artists who have set foot in the building, and other Prohibition Era relics.

"It's very important to us that when you come here for a play or for a drink, you're coming to an authentic environment," Lorcan Otway said.

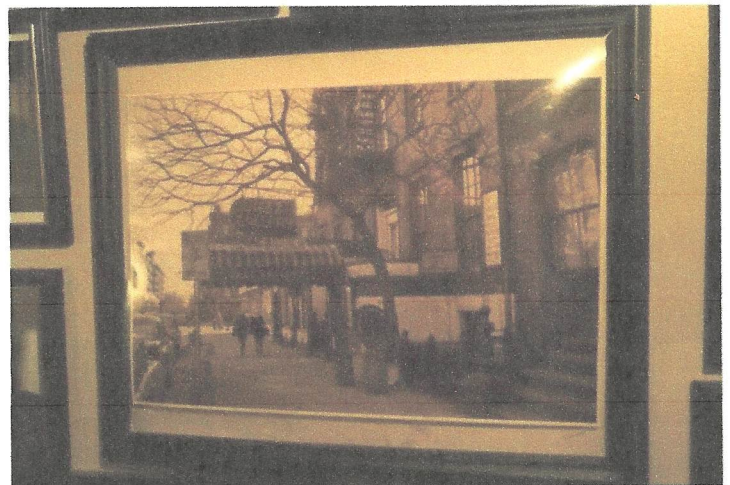


→ Lorcan (left) and Genie Otway inside Theatre 80 in Manhattan. The theater is embroiled in a two-year battle to stay open, amid pandemic-related financial troubles.
REECE T. WILLIAMS/GOTHAMIST

The tavern is half of what once was the tap room in the original speakeasy, Scheib's Place. The bar is lined with models of the ships used by rumrunners, who smuggled alcohol from the Bahamas. Black-and-white films from the '20s play on the back wall. The menu features several milky-green absinthe cocktails that would have been served when the room was run by Frank Hoffman, a notorious bootlegger and associate of Al Capone.

At a glance, you might think this is a speakeasy-themed bar — a notion Otway sought to dispel. "The theme is reality," he said. "These are artifacts about the culture which produced this place, and the history of the place."

After Prohibition ended, Scheib's Place became a jazz club, hosting the likes of Thelonious Monk and John Coltrane. Frank Sinatra performed there at the beginning of his career, in the late 1930s.



→ A picture of the Jazz Gallery, which preceded Theatre 80 at its location on St. Marks Place, hangs at the theater.
REECE T. WILLIAMS/GOTHAMIST

Numerous actors and playwrights got their starts in this theater, including actress, writer, and producer Jessica Sherr. Around 2015, Sherr was working on a solo show called *Bette Davis Ain't for Sissies*, and was able to perform and receive feedback thanks to a standing theater workshop at Theatre 80 called Naked Angels.

Sherr has now performed the show over 400 times across the country and around the world. "I think a lot of that was because I had a space to practice in and that would've been Theatre 80," she said.

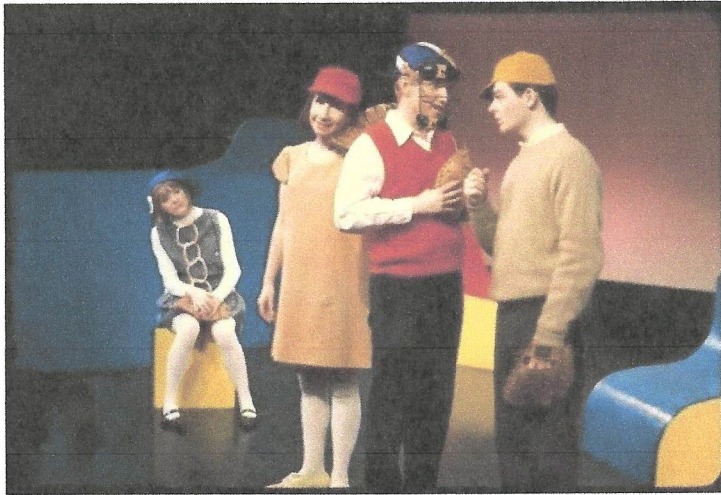


Owners fight to save historic Theatre 80 on St. Marks Place

Page 2

Renting theater space in the city has become so expensive that she has to go out of town to perform her show, she added – a situation much different from what she found when she arrived in New York in 2003.

"This city had a heartbeat, it was filled with artists and sweat, and I was going to Avenue D to do play readings," she said. "It just had a lot of character. And I feel like a lot of these spaces are gone, and Theatre 80 would be in that world of historical places that I hope don't get torn down."



Actors Karin Johnson, Riva Rose, Skip Hinnert, and Gary Burghoff in *You're a Good Man, Charlie Brown* at Theatre 80 in 1967. COURTESY THEATRE 80

Saving the family business

Otway's family history permeates the building's walls, as well. After his father bought the building in 1964, Otway helped him dig out the old dance floor by hand and poured the concrete to create the intimate 199-seat theater in the back of the building. That's where Clark Gesner's musical *You're a Good Man, Charlie Brown* premiered in 1967 and ran through 1971, when it moved to Broadway for a brief engagement. The theater was also home to the Manhattan Festival Ballet and its regular Monday night shows.

Set in the pavement outside the theater are handprints and signatures of around 30 notable stars, including Joan Crawford, Joan Rivers, and Alan Cumming. Otway calls it an off-Broadway "walk of fame." When you pull back the curtains behind the stage, you can see the outline of the original entrance to the speakeasy, where patrons could enter from a butcher shop on First Avenue.

Over the years, the venue became known for hosting diverse and experimental fare: theatergoers could see opera and Shakespeare as well as drag shows written by Provincetown theater artist Ryan Landry. The Pearl Theatre Company maintained a residency there for 15 years, until 2009. The venue was also one of the city's longest-running revival movie houses, showing vintage Hollywood and foreign films into the mid-1990s.



Lorcan Otway onstage at Theatre 80 with ballet dancers in 1967. "We would lose our future and our past," Otway said about the prospect of the theater shutting down. COURTESY THEATRE 80

After Otway's father died in 1994, the properties went into a family trust run by his mother, who died in 2014. Otway inherited a portion of the properties – presently valued at \$7.845.000, according to New York City tax documents – and then assumed complete ownership after settling a long legal battle with his brother, Thomas Otway, in 2016. In December 2019, Otway took out a one-year \$6 million loan against the properties, to cover legal fees from the dispute and to buy his brother out.

When the March 2020 pandemic lockdowns shuttered entertainment and hospitality industries everywhere, Otway couldn't make his loan payments. In November 2020 he tried to negotiate an extension on the loan. He learned that his debt had been sold to Maverick Real Estate Partners. His interest rate had jumped from 10% to 24%. Maverick did not respond to requests for comment.

Last December, Otway filed for Chapter 11 bankruptcy, which would have allowed him to reorganize his finances and pay off the debt with future profits. But a bankruptcy court trustee said they didn't believe the theater, museum, and bar had enough income to make that plan work. Now the court has ordered the properties to be sold.

For the Otways, this solution isn't viable. They live in an apartment upstairs along with other tenants in the building. "We would lose our future and our past," Otway said. "You can imagine the nightmare we're facing – it's Kafkaesque."

Otway says court marshals could even throw them out of the building.

"Fifty-seven years of serving the arts shouldn't be seen as a crime where the court is talking about sending federal marshals to put me out on the street with nothing but the clothes on my back, no home, no job," Otway said. "I think that the city owes me more than that."

Throughout the summer, the owners hosted fundraisers, and showcased small theater productions and experimental music. Otway asserted that they were doing well until the trustee ordered them not to contract for the theater anymore. "Every concert that we did sold out, with young local musicians," he said.

Owners fight to save historic Theatre 80 on St. Marks Place

Page 3



→ Theatre 80, which opened in the early 1960s, is embroiled in a two-year battle to stay open, amid pandemic-related financial troubles.
REECE T. WILLIAMS/GOTHAMIST

It takes a village

City Councilmember Carilina Rivera, who told the [New York Post](#) that she saw a production of *Romeo and Juliet* at Theatre 80 while in high school, has been working since December to connect the Otways with city and state resources. Her office said it has enlisted support from fellow elected officials, and made referrals to mission-driven financing and real estate for assistance. "These smaller theaters, like Theatre 80, are so important to the larger fabric of New York City's creative economy, and especially important for people who live in the area who may not be able to go to Broadway, to have an opportunity to connect with theater and the arts," Rivera said in a statement.

Crystal Field, who founded the nearby [Theater for the New City](#) in 1971, has seen the ups and downs of small theaters firsthand. She says such institutions have been a lifeline and artistic outlet for the East Village community. And she's worried about what might happen if the Otways' buildings are sold.

"They will put something that we don't care about on that corner, and we do care about Theatre 80," Field said. "Theatre 80 is one of the stalwarts of the cultural life of this neighborhood. I certainly think the city should help."

Andrew Berman, executive director of the nonprofit advocacy organization Village Preservation, has provided the Otways with advice and connections. "It would be a loss for all of New York City to see a place like this closed down," he said. "For years now, we've seen, really, a lack of emphasis from the leadership in New York City around saving our city's history, saving historic businesses, saving the cultural life of the city." Without help from civic leaders, Berman asserted, decades of New York's cultural heritage could be gone forever.

The Otways, Berman said, "seemingly had at least nine lives, and have managed to survive a lot of threats. The thought that this could be their final undoing is of course incredibly, incredibly disheartening."

Even so, the owners of Theatre 80 still hold onto hope that someone will help to save this historic property, by financing their loan or buying the buildings and allowing them to stay.

"We need people that care in New York," Lorcan Otway said. "The arts are still what make this city what it is."



→ A sign on the bar at William Barnacle Tavern, which stands next to Theatre 80 in Manhattan. The theater and the tavern are owned by the Otways, and embroiled in a two-year battle to stay open, amid pandemic-related financial troubles.
REECE T. WILLIAMS/GOTHAMIST